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**BEFORE THE NEVADA COMMISSION ON JUDICIAL DISCIPLINE**

IN THE MATTER OF STEVEN E. JONES, )  
Respondent. }

Case No.: 2006-100

**MOTION FOR SUMMARY JUDGMENT**  
**ON THE FORMAL STATEMENT OF CHARGES AND MOTION TO STAY A HEARING**  
**ON THE FORMAL STATEMENT OF CHARGES**

COMES NOW Kathleen M. Paustian, Special Counsel for the Nevada Commission on Judicial Discipline ("Commission" or "NCJD"), established under Article 6, Section 21 of the Nevada Constitution, who, in the name of and by the authority of the Commission, as found in NRS 1.425- 1.4695, files this Motion for Summary Judgment on the Formal Statement of Charges and Motion to Stay a Hearing on the Formal Statement of Charges ("Motion"). This Motion is based on the information and Memorandum of Points and Authorities below and the documents on file in this case.

**I. UNDISPUTED FACTS**

1. On September 3, 2014, Respondent Jones signed a U.S. District Court Plea Agreement admitting to the facts below in paragraphs 2 to 11. See, attached **EXHIBIT 1**, the Plea Agreement. On February 26, 2015, U.S. District Judge Jennifer A. Dorsey sentenced the Respondent to twenty-six (26) months in the U.S. Prison in Taft, California, beginning May 25, 2015. The Respondent is currently incarcerated there.

1           2.       Beginning in or about September 2002 and continuing to in or about October 2012,  
2 Respondent Jones knowingly used the status and prestige of his office as an Eighth Judicial District  
3 Court Judge in the Family Division to conspire with others to devise and execute a scheme which  
4 used false and fraudulent pretenses, misrepresentations, half-truths and false promises to defraud  
5 victims of their money. The Respondent knew the scheme was devised to induce victims to invest  
6 money in non-existent projects and that he would then convert the funds to his own use. At all  
7 times relevant, the Respondent was a duly elected Nevada District Court Judge who knew that  
8 co-conspirators were using the name, title and prestige of his office to vouch for their credibility and  
9 the alleged existence of the fake projects.

10           3.       One such project involved soliciting investments in alleged water rights associated  
11 with large unspecified parcels of land in the Southwestern United States. The conspirators,  
12 including the Respondent, falsely represented that Thomas Cecrle, Mr. Jones' former brother-in-law  
13 and ultimate Co-Defendant in U.S. District Court, was a contractor for the U.S. Department of  
14 Homeland Security. They further alleged Cecrle was involved in a top-secret project to purchase  
15 and sell water rights throughout the Southwest. The conspirators misrepresented the project,  
16 allegedly worth hundreds of millions of dollars, as being near completion and said Cecrle needed a  
17 short-term cash loan to invest in the project's completion. The conspirators falsely represented that  
18 when the project was finished, Cecrle would repay all monies the victims had loaned him, along  
19 with large returns on their investments.

20           4.       Respondent Jones knew that Cecrle and other conspirators were making such false  
21 and misleading statements and promises to induce the victims to turn over money to Cecrle which  
22 would, in turn, be distributed among the conspirators, including the Respondent.

23           5.       During the course of the conspiracy, in March 2006, the Respondent used his  
24 position as a Judge to assist Cecrle in obtaining release from custody on his own recognizance.  
25 Cecrle had been in custody on state charges for writing bad checks to re-pay a victim of the  
26 conspiracy.

27           6.       From March 2006 to June 2009, Respondent Jones used the status and prestige of his  
28 judicial office to assure at least one (1) victim of the conspiracy that Cecrle was difficult to reach,

1 because he was traveling in connection with a non-existent project. The Respondent assured the  
2 victim that the fake project was lucrative and the Respondent was helping Cecrle complete it in any  
3 way possible, knowing the victim was relying on the Respondent's position as a Judge to assess the  
4 credibility of Cecrle and the project.

5 7. From March 2006 to November 2008, the Respondent used his position as a judge to  
6 meet with at least one (1) victim repeatedly in his Chambers and in other locations in the Family  
7 Division of the Eighth Judicial District Court, to discuss the victim's payment of money to Cecrle  
8 for the water rights project. Respondent Jones knew the victim was relying on Jones'  
9 representations under the cloak of his judicial office to assess the legitimacy of the project.

10 8. Between February and June 2007, the Respondent accepted a cash payment from a  
11 victim of the water rights scheme in the parking lot of the Family Division Courthouse. The  
12 Respondent knew the victim was relying on Jones' representations under the cloak of his judicial  
13 office to assess the legitimacy of the project.

14 9. Beginning in or about December 2006 to in or about March 2008, the Respondent  
15 established and maintained a joint checking account with Cecrle knowing the account would be  
16 used by the conspirators to receive and disburse proceeds from the fraudulent investment scheme.  
17 The conspirators conducted over one thousand (1,000) transactions through the account in which  
18 they eventually deposited over two-hundred-sixty-thousand dollars (\$260,000) in illegal proceeds  
19 from their scheme. The Respondent personally withdrew portions of these illegal proceeds for his  
20 own use.

21 10. On or about December 13, 2012, the conspirators made, or caused to be made, at  
22 least one (1) interstate electronic mail (e-mail) communication from a conspirator to a victim. The  
23 conspirator attached to the e-mail a document entitled "Settlement Agreement and Mutual Release"  
24 which related to the fraudulent water rights scheme.

25 11. The conspirators, including the Respondent, defrauded at least twenty-two (22)  
26 victims of more than two-million-six-hundred-thousand dollars (\$2.6 million) as a result of their  
27 scheme.

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## II. MEMORANDUM OF POINTS AND AUTHORITES

### A. The Commission Has Ample Discretion to Grant Summary Judgment.

NRS 1.462 (2) provides the Nevada Rules of Civil Procedure (NRCP) apply to proceedings before the Commission after the filing of a formal statement of charges. Additionally, *Nyberg v. Nevada Indus. Comm'n*, 100 Nev. 322, 324, 683 P.2d 3 (1984) holds the NRCP may be applied to administrative agency proceedings, if the Rules are not inconsistent with the agency's statutes or rules.

Under a standard set by a trilogy of 1986 cases, the U.S. Supreme Court held cases survive summary judgment only if there are genuine issues of material fact sufficient to sustain a judgment at trial for the non-moving party. See, *Matsushita Elec. Indus. Co. v. Zenith Radio Corp.*, 475 U.S. 574, 586, 106 S. Ct. 1348, (1986); *Celotex Corp. v. Catrett*, 477 U.S. 317, 106 S. Ct. 2548, (1986); and *Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242, 106 S. Ct. 2505, (1986). Under *Celotex*, the moving party has the burden of demonstrating the absence of a genuine issue of material fact and the commission or court must draw all inferences in favor of the non-moving party.

In 2005, in *Wood v. Safeway, Inc.*, 121 Nev. 724, 731, 121 P. 3<sup>rd</sup> 1026, the Nevada Supreme Court joined this trilogy of cases:

We now adopt the standard employed in *Liberty Lobby*, *Celotex*, and *Matsushita*. Summary Judgment is appropriate under NRCP 56 when the pleadings, depositions, answers to interrogatories, admissions, and affidavits, if any, that are properly before the Court demonstrate that no genuine issue of material fact exists, and the moving party is entitled to judgment as a matter of law. The substantive law controls which factual disputes are material and will preclude summary judgment; other factual disputes are irrelevant. A factual dispute is genuine when the evidence is such that a rational trier of fact could return a verdict for the non-moving party. (Emphasis added.)

1 See also Bond v. Sterling, Inc., 77 F.Supp. 2d 300 (N.D.N.Y. 1999); Raymond v. Albertson's, Inc.,  
2 38 F. Supp. 2d 866, (Dist. Nev. 1999).

3 The Commission acts as the "trier of fact". Based on the evidence, it determines whether  
4 there is a material factual dispute here which may preclude summary judgment. It is an  
5 undisputed fact the Respondent signed the federal Plea Agreement; the federal court accepted it  
6 and used it to sentence Mr. Jones to federal prison. The Formal Statement of Charges against the  
7 Respondent, **EXHIBIT 2**, mirrors the Plea Agreement. Thus, Respondent has admitted to every  
8 fact in the two (2) Counts in the Formal Statement of Charges:  
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#### 11 **COUNT ONE**

12 By engaging in the fraudulent and conspiratorial actions detailed  
13 above, the Respondent violated Canon 1, Rule 1.1 requiring a judge to  
14 comply with the law, including the Code of Judicial Conduct; as well as  
15 Rule 1.2, which provides: "A judge shall act at all times in a manner  
16 that promotes public confidence in the independence, integrity, and  
17 impartiality of the judiciary and shall avoid impropriety and the  
18 appearance of impropriety," and Rule 1.3 which requires a judge to avoid  
19 abusing "the prestige of judicial office to advance the personal or  
20 economic interests of the judge or others, or allow others to do so."  
21 Canon 1 Comment [1] states: "Public confidence in the judiciary is  
22 eroded by improper conduct ... . This principle applies to both the  
23 professional and personal conduct of a judge. " The Respondent has  
24 pled guilty in U.S. District Court to the facts specified above and been  
25 sentenced accordingly. Thus, by his own admission, he has violated the  
26 law and violated the principle of public confidence and trust in the  
27 integrity of the judiciary. He also admits that he abused the prestige of  
28 judicial office to advance his own economic interest and that he allowed  
others to do the same to advance their interests.

#### 23 **COUNT TWO**

24 By engaging in the fraudulent and conspiratorial actions detailed  
25 above, the Respondent violated Canon 3.1(C) prohibiting participation in  
26 extrajudicial "activities that would appear to a reasonable person to  
27 undermine the judge's independence, integrity or impartiality," along  
28 with (D) which prohibits participation in "conduct that would appear to a  
reasonable person to be coercive," and (E) prohibiting use of "court  
premises...or other resources..." for unlawful extrajudicial activities.  
The Respondent's admitted conspiratorial and fraudulent activities and

1 the use of his judicial chambers and other parts of the Family Division  
2 Courthouse, including the parking lot, to pursue them violates these three  
3 (3) provisions of Canon 3.1.

4 **B. The NCJD Also Has Authority to Bar the Respondent From**  
5 **Serving in a Judicial Office in the Future.**

6 Accepting the Respondent's admissions, the Commission has more than adequate  
7 discretion to impose the sanctions and/or discipline it deems appropriate under the governing  
8 Rules and Statutes. NRS 1.4677(1)(e) allows the Commission to "Bar the judge from serving in a  
9 judicial office in the future."

10 A federal judge saw the admissions by the Respondent as sufficiently egregious to warrant  
11 over two (2) years in prison. There is no question as to the severity of the nature of the  
12 undisputed facts in the Plea Agreement and the Formal Statement of Charges. These facts raise  
13 an inherent need to protect the citizens of all regions of Nevada from Mr. Jones ever again sitting  
14 on the bench. The Respondent has been stripped of his law license, so it would be impossible for  
15 him to return, for example, to the Eighth Judicial District Court bench. However, there are rural  
16 areas which employ non-lawyers as municipal court judges and justices of the peace. This  
17 Commission has the responsibility to maintain high standards for the judiciary in all corners of the  
18 state. Leaving the door open for Mr. Jones' return in any judicial capacity would not further this  
19 mandate.

20 Thus, it follows that an order granting summary judgement must include a prohibition  
21 against the Respondent seeking, either through election or appointment, any judicial office in the  
22 state. This includes, but is not limited to, a seat on any municipal or justice of the peace bench or  
23 as a special or hearing master, or any other position requiring the exercise of adjudicative  
24 authority.

25 **C. To Protect the Interests of All Parties, Any Further Action Must Be Stayed Pending the**  
26 **Resolution of this Motion for Summary Judgment.**

27 Pending the ruling on this Motion, the Commission also has authority to stay the hearing on  
28 the Formal Statement of Charges required in NRS 1.4673(1)(a). If the Commission does not grant  
the Summary Judgment Motion, a hearing will be scheduled accordingly.

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1 **CERTIFICATE OF SERVICE**

2 I hereby certify that a true and correct copy of the **MOTION FOR SUMMARY JUDGEMENT**  
3 **ON THE FORMAL STATEMENT OF CHARGES AND MOTION TO STAY A HEARING**  
4 **ON THE FORMAL STATEMENT OF CHARGES** has been forwarded to the following party  
5 via U.S. mail, postage pre-paid, on this 5<sup>th</sup> day of November, 2015.  
6  
7

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12 Counsel for the Respondent

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